

NSP3 Substantial Amendment

City of Lansing

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Boone, Dorothy
Email Address	dboone@lansingmi.gov
Phone Number	517-483-4050
Mailing Address	316 N. Capitol, Lansing, MI 48933

2. Areas of Greatest Need

Map Submission

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website is included as an attachment.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.

Response:

In 2008 based on mortgage foreclosure data, sub prime lending patterns, rates of vacancy, abandonment and unemployment, the City of Lansing identified 8 target areas for NSP1. Updated data for these factors was reviewed in 2009 , and the City expanded these target areas for NSP2.

In 2010 HUD provided NSP3 planning data regarding relative need for all areas of the City. HUD needs data confirmed that previously identified NSP1 and NSP2 targeted neighborhoods continue to be of greatest need. City data on the location of bank owned property in 2010 also confirmed a concentration of foreclosed properties in the existing NSP target areas.

Accordingly, the the City of Lansing has selected two primary NSP3 target neighborhoods within the previously established overall NSP1 and NSP 2 target areas. These are Comstock Park/Northwest and Holmes-Miller/Southwest.

NSP 3 planning data are attached for each target neighborhood. The data correspond to the boundaries illustrated on the attached NSP3 Target Neighborhood maps.

Determination of Areas of Greatest Need

Describe how the areas of greatest need were established.

Response:

Overall need index scores must be at least 17 for NSP3 target areas in Michigan. Need scores in Lansing census tracts range from 7 to 19. Target areas were selected to include neighborhoods within census tracts with the highest need index score of 19. Each NSP3 target area has a need score of 18+. HUD encourages narrowly focused targeting to better achieve NSP intended short term outcomes of arresting decline in home values and reducing or eliminating vacant and abandoned residential property and intended long term outcomes of increased sales and increased median market values.

In view of HUD's guidance and the relatively limited resources available for NSP3, the City of Lansing has selected two primary NSP3 target neighborhoods: Comstock Park/Northwest and Holmes-Miller/Southwest. These two NSP3 target neighborhoods are smaller areas of high need within existing NSP target areas where neighborhood stabilization activity is already underway.

NSP 3 target areas were chosen because they include neighborhoods with the highest relative need index scores but that also have high potential for meeting short and long term objectives for stabilization. These target areas have attractive residential characteristics, are fully developed with public infrastructure including sidewalks, and are served by public transportation and well established community services that are important to low and moderate income households.

The southwest target area was one of the last to be developed and includes some of the city's most marketable subdivisions. The Comstock Park area is within walking distance of employment centers, public schools, a charter school, head start, and a revitalized commercial district. Both target areas include parks and community centers. Each is well served by multiple modes of transportation and present good potential for market stabilization. They include housing stock that is feasible for rehabilitation along with sites that are suitable for redevelopment.

NSP1 and NSP2 funds have been successfully implemented for similar activities within in these target areas. NSP3 investment is intended to augment the momentum generated by prior year's NSP funds.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	<p>A Blighted Structure is any structure that meets the definition of blighted property under state law (see State Statute below) or a structure with one or more housing code violations where the estimated cost to correct the violation(s) and rehabilitate the structure to meet NSP Housing Rehabilitation Standards exceeds 50% of the post rehabilitation market value of the property.</p> <p>State Statute</p> <p>"Blighted property" is defined under the Blighted Area Rehabilitation Act 344 of 1944, at MCL 125.72 as follows:</p> <p>"(b) "Blighted property" means property that meets any of the following criteria:</p> <p>(i) The property has been declared a public nuisance in accordance with a</p>

	<p>local housing, building, plumbing, fire, or other related code or ordinance.</p> <p>(ii) The property is an attractive nuisance because of physical condition or use.</p> <p>(iii) The property is a fire hazard or is otherwise dangerous to the safety of persons or property.</p> <p>(iv) The property has had the utilities, plumbing, heating, or sewerage disconnected, destroyed, removed, or rendered ineffective for a period of 1 year or more so that the property is unfit for its intended use.</p> <p>(v) The property is tax reverted property owned by a municipality, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a municipality, a county, or this state shall not result in the loss to the property of eligibility for any project authorized under this act for the rehabilitation of a blighted area, platting authorized under this act, or tax relief or assistance, including financial assistance, authorized under this act or any other act.</p> <p>(vi) The property is owned or is under the control of a land bank fast track authority under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774. The sale, lease, or transfer of the property by a land bank fast track authority shall not result in the loss to the property of eligibility for any project authorized under this act for the rehabilitation of a blighted area, platting authorized under this act, or tax relief or assistance, including financial assistance, authorized under this act or any other act.</p> <p>(vii) The property is improved real property that has remained vacant for 5 consecutive years and that is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.</p> <p>(viii) The property has code violations posing a severe and immediate health or safety threat and has not been substantially rehabilitated within 1 year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later.”</p>
Affordable Rents	<p>Rents will be considered affordable for NSP assisted properties if they meet requirements for HOME assisted units at 24 CFR 92.252(a), (c), (e), and (f). Tenant income shall be determined according to 24 CFR 92.203(a) using the definition of annual income at 24 CFR 5.609 (Section 8 method.)</p>

Descriptions

Term	Definition
Long-Term Affordability	<p>HOME affordability periods at 24 CFR 92.252e will apply to NSP assisted rental housing.</p> <p>HOME affordability periods at 24 CFR 92.254 will apply to NSP assisted homeownership. The city will use the recapture method for ensuring affordability.</p>
Housing Rehabilitation Standards	<p>NSP HOUSING REHABILITATION STANDARDS</p> <p>Code Compliance & Rehabilitation Standards: Title 6 of the City of Lansing Codified Ordinances Chapter 1460 Lansing Housing and Premises Code establishes minimum requirements for all existing residential buildings within the City of Lansing. Section 8 Housing Quality Standards (HQS) establish minimum guidelines for housing assisted by Section 8 and HOME funds. Together, these are to be utilized as the foundation and minimum standards for all residential</p>

	<p>rehabilitation work to be undertaken with NSP funds. NSP rehabilitation standards also incorporate elements designed to reduce energy consumption, remove hazards, improve safety and encourage the use of green building techniques.</p> <p>OBJECTIVES OF THE NSP REHABILITATION PROGRAM</p> <p>The objective of the NSP Rehabilitation Standards is to improve housing in a way that enhances long term structural stability, function, safety, affordability and sustainability and preserves or enhances neighborhood character. Rehabilitation standards are designed to strategically incorporate current code requirements, employ green building practices, upgrade building systems and reduce energy-consumption. A high priority for housing rehabilitation is to improve units to meet today's home buyers' expectations for features and function, to make housing sustainable, attractive, and a sound investment for the long term. Achieving a four or five star energy rating and/or providing renewable energy options is a primary concern for keeping housing affordable during a period when energy costs are expected to rise steadily. In keeping with the City's new Master Plan, rehabilitation will be designed to preserve or enhance structural characteristics that define and contribute to overall neighborhood design, streetscape and historic or other unique elements of existing housing and neighborhoods.</p> <p>TYPICAL ITEMS INCLUDED IN REHABILITATION</p> <p>Rehabilitation typically includes things like replacement of roof and gutter systems, insulation, new windows and siding. Site improvements may include grading, sidewalk replacement, driveway repair, landscaping, tree trimming and fence or lot line improvements. Interior repairs include new flooring, cabinets, trim, light fixtures, appliances, plumbing fixtures and paint. Electrical, plumbing and heating systems may be upgraded. First floor bath and laundry may be added. Basement windows and waterproofing systems may be installed. Safety improvements include lead remediation, smoke alarms, radon systems and mold removal.</p> <p>For more details regarding the City's rehabilitation standards, please see the rehab standards contained in the City of Lansing's NSP 1 Substantial amendment starting at page 25. The document is located online at http://www.lansingmi.gov/uploads/NSP_Substantial_Amendment_Draft_Lansingfinal112608.pdf</p>
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4. Low-Income Targeting

Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

<p>Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.</p>
<p>Response:</p> <p>Total low-income set-aside percentage (must be no less than 25 percent): 25.00%</p> <p>Total funds set aside for low-income individuals: \$300,000</p>

Meeting Low-Income Target

Provide a summary that describes the manner in which the low-income targeting goals will be met.

Response:

25% of NSP3 funds (\$300,000) will be set aside for low income households. These funds will be used to rehabilitate at least 2 structures for occupancy by large low income households who are homeless. This group is targeted because the Continuum of Care planning body, Greater Lansing Homeless Resolution Network, (GLHRN) has identified large homeless families as being most in need. GLHRN is charged with identifying strategies for resolving homelessness. They report that a shortage of large affordable decent housing units is a critical factor that leads to high costs for meeting emergency needs for homeless families.

NSP 3 funds will be used to acquire and rehabilitate large dwellings that will be operated as permanent supportive housing and rented to homeless families who are referred through GLHRN's system for rapid rehousing. Completed units will remain available for this purpose for 20 years or more. Supportive services and housing subsidies will be provided by GLHRN member agencies and local churches.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., $\leq 80\%$ of area median income)?

No

If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	0
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., $\leq 120\%$ of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	6
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	2

6. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.

Response:

Notice of the posting of the Substantial Amendment for Neighborhood Stabilization Program 3 or Abbreviated Action Plan and request for public comment was advertised in the Lansing Stat Journal on February 11, 2011. The NSP 3 Draft Plan was posted on the City's website at 8:00 a.m. on February 10, 2008.

Copies of the NSP 3 Draft Plan were also available to the public for review at the City of Lansing Planning and Neighborhood Development Office, at the City Clerk's office and at the Lansing Public Library. Copies of the NSP 3 Notice were sent by mail or e-mail to groups and stakeholders who are known to

have an interest in such matters or who have requested to be notified of Consolidated Plan changes.

Summary of Public Comments Received.

The summary of public comments received is included as an attachment.

7. NSP Information by Activity

Enter each activity name and fill in the corresponding information. If you have fewer than seven activities, please delete any extra activity fields. (For example, if you have three activities, you should delete the tables labeled “Activity Number 4,” “Activity Number 5,” “Activity Number 6,” and “Activity Number 7.” If you are unsure how to delete a table, see the instructions [above](#).

The field labeled “Total Budget for Activity” will populate based on the figures entered in the fields above it.

Consult the [NSP3 Program Design Guidebook](#) for guidance on completing the “Performance Measures” component of the activity tables below.

Activity Number 1											
Activity Name	Permanent Supportive Housing										
Uses	Select all that apply: <table><tr><td><input checked="" type="checkbox"/></td><td>Eligible Use A: Financing Mechanisms</td></tr><tr><td><input checked="" type="checkbox"/></td><td>Eligible Use B: Acquisition and Rehabilitation</td></tr><tr><td><input type="checkbox"/></td><td>Eligible Use C: Land Banking</td></tr><tr><td><input type="checkbox"/></td><td>Eligible Use D: Demolition</td></tr><tr><td><input checked="" type="checkbox"/></td><td>Eligible Use E: Redevelopment</td></tr></table>	<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	<input type="checkbox"/>	Eligible Use C: Land Banking	<input type="checkbox"/>	Eligible Use D: Demolition	<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment
<input checked="" type="checkbox"/>	Eligible Use A: Financing Mechanisms										
<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation										
<input type="checkbox"/>	Eligible Use C: Land Banking										
<input type="checkbox"/>	Eligible Use D: Demolition										
<input checked="" type="checkbox"/>	Eligible Use E: Redevelopment										
CDBG Activity or Activities	24 CFR 570.206, 24 CFR 570.201 (a) and (b) and 24 CFR 570.202										
National Objective	Low-Income Housing to Meet 25% Set-Aside (LH25)										
Activity Description	<p>Foreclosed homes will be acquired and rehabilitated for use as permanent supportive housing. This activity will benefit neighborhoods by rehabilitating and occupying homes that would otherwise be likely to remain in vacant and deteriorated condition. The primary expected benefit from this activity is affordable rental opportunities for low income households who are homeless or who have special needs. Funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income.</p> <p>Units will be financed at 0% interest and remain affordable at or below Fair Market Rents for a period of 20 years.</p> <p>The expected benefit to the NSP target area which results from housing rehabilitation is to improve the safety, durability, function and energy efficiency of housing stock, stabilize neighborhoods and preserve or enhance unique neighborhood characteristics.</p> <p>Preference will be given to awarding housing rehabilitation contracts to Section 3 contractors who hire low or moderate income residents to perform</p>										

	work funded by NSP 3 according to the City of Lansing's established Section 3 program.	
Location Description	Properties will be selected within the NSP 3 target areas - Comstock Park Northwest and Holmes Miller Southwest Lansing which include neighborhoods with the highest foreclosure and abandonment rates in the city. Priority will be given to selecting large units suitable for families with children. Whenever possible, units will be selected in locations that augment neighborhood stabilization work funded by NSP 1 and NSP 2.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$300,000
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$0.00
Performance Measures	2 units of housing for 2 homeless families with income at or below 50% of area median income, adjusted for family size.	
Projected Start Date	6/1/2011	
Projected End Date	6/1/14	
Responsible Organization	Name	Ingham County Land Bank For Rehabilitation
	Location	422 Adams, Lansing, MI 48906
	Administrator Contact Info	Mary Ruttan, Executive Director 517-267-5221

Activity Number 2	
Activity Name	Rehabilitation/Reconstruction of residential structures
Use	Select all that apply:
	<input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms
	<input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation
	<input type="checkbox"/> Eligible Use C: Land Banking
	<input type="checkbox"/> Eligible Use D: Demolition
	<input checked="" type="checkbox"/> Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.201(a) Acquisition, (b) Disposition and (n) Direct homeownership assistance and 24 CFR 570.202
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	Foreclosed or abandoned homes will be acquired and rehabilitated or reconstructed for sale to households with income at or below 120% of area median income, adjusted for family size. The primary expected benefit is to provide affordable home ownership opportunities for income qualified

	<p>households.</p> <p>Funds will also be used to provide counseling and home buyer assistance to purchasers. HOME affordability restrictions will apply.</p> <p>The expected benefit to the NSP target area which results from housing rehabilitation is to improve the safety, durability, function and energy efficiency of housing stock, stabilize neighborhoods and preserve or enhance unique neighborhood characteristics.</p> <p>Preference will be given to awarding housing rehabilitation contracts to Section 3 contractors who hire low or moderate income residents to perform work funded by NSP 3 according to the City of Lansing's established Section 3 program.</p>	
Location Description	Properties will be selected within the NSP 3 target areas - Comstock Park Northwest and Holmes Miller Southwest Lansing which include neighborhoods with the highest foreclosure and abandonment rates in the city. Whenever possible, units will be selected in locations that augment neighborhood stabilization work funded by NSP 1 and NSP 2.	
Budget	Source of Funding	Dollar Amount
	NSP3	\$746,258.00
	(Other funding source)	\$
	(Other funding source)	\$
Total Budget for Activity		\$0.00
Performance Measures	6 units of housing for 6 home buyers with income at or below 120% of area median income, adjusted for family size.	
Projected Start Date	6/1/2011	
Projected End Date	6/1/2014	
Responsible Organization	Name	Ingham County Land Bank
	Location	422 Adams, Lansing, MI 48906
	Administrator Contact Info	(Mary Ruttan, Executive Director, 517-267-5221

8. Certifications

Certifications for State and Entitlement Communities

(1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Signature/Authorized Official

Date

Title

Neighborhood ID: 5680450

NSP3 Planning Data

Grantee ID: 2634560E

Grantee State: MI

Grantee Name: LANSING

Grantee Address: 316 N Capitol Lansing MI 48933

Grantee Email: dboone@lansingmi.gov

Neighborhood Name: Comstock Park_Northwest

Date: 2011-02-09 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 18.12

State Minimum Threshold NSP3 Score: 17

Total Housing Units in Neighborhood: 2969

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 84.9

Percent Persons Less than 80% AMI: 70

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 2812

Residential Addresses Vacant 90 or more days (USPS, March 2010): 342

Residential Addresses NoStat (USPS, March 2010): 29

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Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 1081

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 49.76

Percent of Housing Units 90 or more days delinquent or in foreclosure: 15.48

Number of Foreclosure Starts in past year: 88

Number of Housing Units Real Estate Owned July 2009 to June 2010: 74

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 17

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -21.1

Place (if place over 20,000) or county unemployment rate June 2005*: 8.7

Place (if place over 20,000) or county unemployment rate June 2010*: 14.3

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-84.574299 42.755458 -84.569106 42.755489 -84.555287 42.749691 -84.552326 42.748777 -84.552155 42.740709 -84.574814 42.740961

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Blocks Comprising Target Neighborhood

260650003001002, 260650003001003, 260650003001006, 260650003001007, 260650003001008, 260650003001009, 260650003002002, 260650003002003, 260650003002004, 260650003002005, 260650003002006, 260650003002007, 260650003002008, 260650003002009, 260650003002010, 260650003003001, 260650003003002, 260650003003003, 260650003003004, 260650003003005, 260650003003006, 260650003003007, 260650003003008, 260650003003009, 260650003003010, 260650003003011, 260650003003012, 260650003003013, 260650003004000, 260650003004001, 260650003004002, 260650003004003, 260650003004004, 260650003004005, 260650003004006, 260650004001000, 260650004001001, 260650004001006, 260650004001007, 260650004001008, 260650004001009, 260650004001014, 260650004002009, 260650005001000, 260650005001001, 260650005001002, 260650005001003, 260650005001004, 260650005001005, 260650005001006, 260650005001007, 260650005001008, 260650005001009, 260650005001010, 260650005001013, 260650005002000, 260650005002001, 260650005002002, 260650005002003, 260650005002004, 260650005002005, 260650005002006, 260650005002007, 260650005002008, 260650005003000, 260650005003001, 260650005003002, 260650005003003, 260650005003004, 260650005003005, 260650005003006, 260650005003007, 260650005003008, 260650005003009, 260650005003010, 260650007001001, 260650007001002, 260650007001005, 260650007001006, 260650007001007, 260650007001008, 260650007001011, 260650007001012, 260650007001013, 260650007001014, 260650007001015, 260650007001017, 260650007001018, 260650007001019, 260650007002000, 260650007002001, 260650007002002, 260650007002003, 260650007002004, 260650007002005, 260650007002006, 260650007002007, 260650007002008, 260650007002009, 260650007002010, 260650007002011, 260650007002012, 260650007003000, 260650007003001, 260650007003002, 260650007003003, 260650007003004, 260650007003005, 260650007003006, 260650007003007, 260650007003008, 260650007003009, 260650007003010, 260650007003011,

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Neighborhood ID: 4140991

NSP3 Planning Data

Grantee ID: 2634560E
Grantee State: MI
Grantee Name: LANSING
Grantee Address: 316 N Capitol Lansing MI 48933
Grantee Email: dboone@lansingmi.gov

Neighborhood Name: Holmes-Miller SW

Date: 2011-02-04 00:00:00

NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 18.47
State Minimum Threshold NSP3 Score: 17
Total Housing Units in Neighborhood: 5014

Area Benefit Eligibility

Percent Persons Less than 120% AMI: 83.31
Percent Persons Less than 80% AMI: 59.79

Neighborhood Attributes (Estimates)

Vacancy Estimate

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current or potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 5314
Residential Addresses Vacant 90 or more days (USPS, March 2010): 168
Residential Addresses NoStat (USPS, March 2010): 51

Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 1940

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 44.75

Percent of Housing Units 90 or more days delinquent or in foreclosure: 16.14

Number of Foreclosure Starts in past year: 164

Number of Housing Units Real Estate Owned July 2009 to June 2010: 139

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 34

Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -21.1

Place (if place over 20,000) or county unemployment rate June 2005: 8.7

Place (if place over 20,000) or county unemployment rate June 2010: 14.3

*Bureau of Labor Statistics Local Area Unemployment Statistics

Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

Latitude and Longitude of corner points

-84.603138 42.669436 -84.603138 42.697766 -84.567432 42.698018 -84.568205 42.682940 -84.570265 42.680101 -84.572926 42.677577 -84.576359 42.674800 -84.579964 42.672276 -84.583912 42.669058

Blocks Comprising Target Neighborhood

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260650036013013, 260650036013012, 260650036013010, 260650036013008, 260650036013006,
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Neighborhood Stabilization Program Grants

The Neighborhood Stabilization Program (NSP) provides grants to address the problems associated with homes that have been foreclosed upon and are creating economic problems for their communities.

Enter an Address, city or state Go

Select a State Select a County Go

Map Options : Clear | Reset

Click Mode: Zoom | Info

NSP3 Legend (%): — Tract Outline

LOG OUT

Click here for an Overview

NSP3 Options

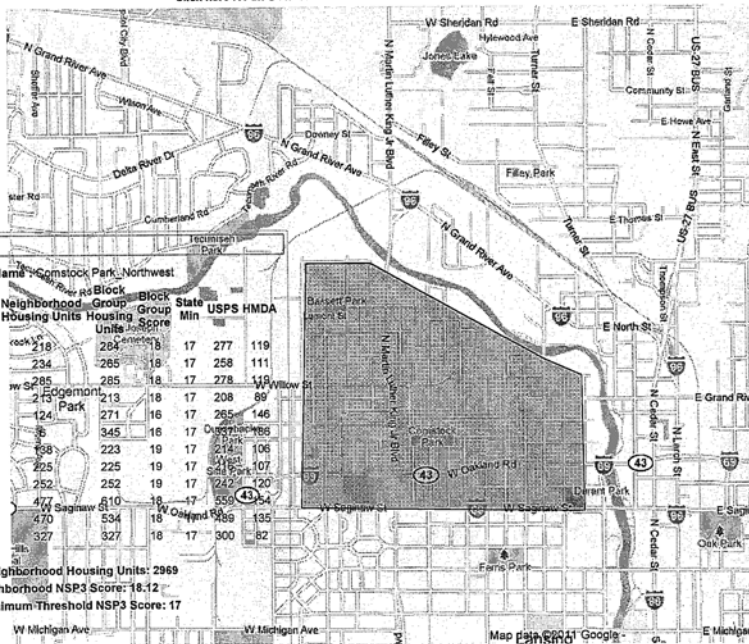
14 Current Zoom Level

☐ Show Tracts Outline (Zoom 11+)

METHODOLOGY INSTRUCTIONS

The NSP3 mapping tool now provides a summary NSP3 score for all projects drawn. Click on "View Projects", which will list all of the projects (target areas) that have data calculated. It shows the NSP3 score for each target area along with the total estimated housing units in that area. At the bottom of the list is a sum of all housing units in all target areas and the NSP3 score for each target area. Grantors are advised to know their state minimum and if the summary score is less than the state minimum the grantor should delete, add, or delete target areas. Note that if you delete or add, the tool only recalculates after you close the "View Projects" box and reopen the HUD tool. It advises grantors to delete and add target areas if the size of their target areas is too large. Those target areas have a very large number of total housing units. Note that the dollars awarded are based on the size of their target areas.

Total Neighborhood Housing Units: 2969
Neighborhood NSP3 Score: 18.12
State Minimum-Threshold NSP3 Score: 17



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DRAW PUSHER

VIEW DATA

VIEW PROJECTS

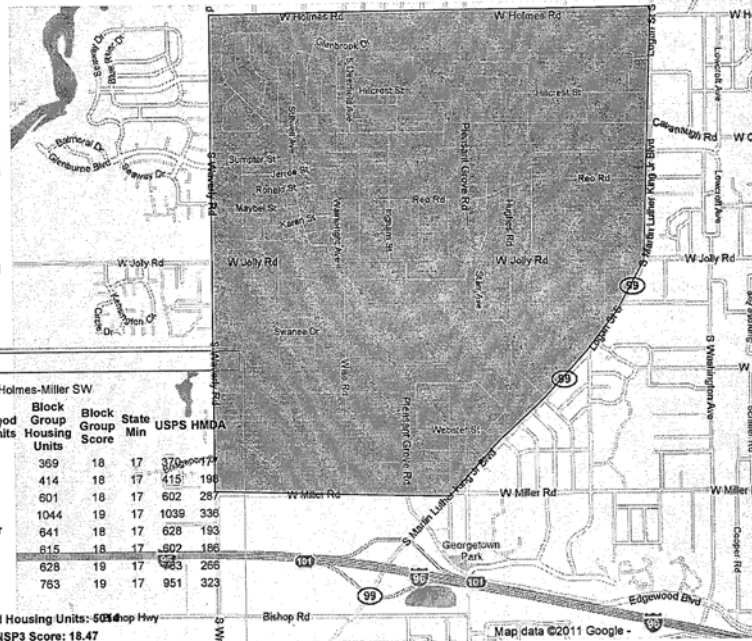
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26065460004600000510004 615

26065460004600000510001 628

26065460004600000510002 702



Total Neighborhood Housing Units: 5014

Neighborhood NSP3 Score: 18.47

State Minimum Threshold NSP3 Score: 17